69 Wash. 123, which also involved an interpretation of the same amendment. In that case the contract for the diversion of the goods was made not with the original carrier, but with the last connecting carrier that carried the goods to the destination mentioned in the original bill of lading, and hence such last connecting carrier became the initial carrier for the purposes of the new agreement.

CARRIERS.—PUBLIC UTILITY ACT IN CONFLICT WITH CITY ORDINANCE.—Plaintiff sued to enjoin the defendant from enforcing against it an ordinance requiring all street railway companies to sell six tickets for 25 cents. The Oregon Public Utility Act, ORE. LAWS, 1911, ch. 279, vested in the Railroad Commission of the state power of supervision and regulation of all public utilities in the state, giving it exclusive authority to investigate the rates of such companies, and to alter them if found unreasonable. It also made compulsory the filing of rate schedules with the commission and forbade any charges different from those so on file. The rates prescribed by the ordinance were different from those so on file with the Commission. The question arose on a motion to dismiss the plaintiff's bill for an injunction. *Held*, that in case of conflict between state regulations and municipal regulations, the state authority prevails. *Portland Ry., Light, & Power Co.* v. *City of Portland et al.* (1914), 210 Fed. 667.

The power to regulate public utilities and public employments and to supervise their rates is a function of the state and is a legislative power; *Munn* v. *Illinois*, 94 U. S. 113; *Wellman* v. *Chi. & Gr. Tr. Ry. Co.*, 83 Mich. 592. This power of regulation, being in a large measure administrative in its nature, may be delegated to a commission by the legislature, *Railroad Commission Cases*, 116 U. S. 307; or may be delegated to county courts or other administrative units, *Brymer* v. *Butler Water Co.*, 179 Pa. St. 231. Municipal corporations have no inherent right to regulate rates and in the absence of express authority delegated to them to do so cannot exercise this power, *In re Pryor*, 55 Kans. 724. It may however be delegated to them in the same way as to other bodies. However, powers conferred upon municipal corporations may at any time be altered or repealed by the legislature, either by a general law operating upon the whole state, or in the absence of constitutional restriction, by a special act, *Meriwether* v. *Garrett*, 102 U. S. 472; *People* v. *Morris*, 13 Wend. (N. Y.) 323. When, therefore, a state law creating a public utility commission with extensive powers of control over public utilities is passed, it rescinds and takes away the power of municipalities to exercise control over them in so far as this is inconsistent with the general law; *Cal.-Ore. Power Co.* v. *City of Grants Pass*, 203 Fed. 173; *Seattle Electric Co.* v. *City of Seattle*, 206 Fed. 955. The problem in such a case is somewhat analogous to that which arises in connection with interstate commerce when matters previously regulated and governed by the laws of the various states are made the subject of the legislative activity of Congress. In that case, too, states can make regulations affecting matters of local concern even though they in some measure are connected with interstate commerce, when Congress has not yet acted in the matter; *Cooley* v.

Board of Wardens, 12 How. 299; *Smith* v. *Alabama,* 124 U. S. 465. As soon as the federal government, however, undertakes to act in the particular matter, its regulations supersede those of the states, which therefore, lose their power of regulation in the premises. A recent instance of this is found in the Carmack Amendment to the Interstate Commerce Act, 34 U. S. STAT. 595, which according to the interpretation put upon it by the Supreme Court of the United States, supersedes the laws of the various states regulating the right of the carrier to limit its liability to damage occurring on its own line when it accepts goods for transportation over other lines than its own, if the transaction is one of interstate commerce; *Adams Exp. Co.* v. *Croninger,* 226 U. S. 491. The problem is somewhat different in that the regulations by the state are valid exercises of its police powers, an undelegated power, while in the case of municipalities and the state the power of the former to act at all is a derivative power conferred by the very authority which later, either wholly or partially, takes it away. In both cases, however, the act of the higher authority supersedes that of the lesser.

CONSTITUTIONAL LAW. — MONOPOLIES. — CLASSIFICATION. — STATE ANTI-TRUST LAWS.—The state passed statutes (Mo. R. S. 1899. § 8966, R. S. 1909. § 10301), against (1) agreements to lessen trade or to increase price and (2) arrangements for the sale of a particular article and restraint on the sale of a competing article. A combination was formed to prevent competition, which defendant entered and became the sole selling agent in Missouri. Defendant controlled 90 per cent of the state business and compelled retailers to refrain from selling competitor's articles. Quo Warranto was brought by the attorney general to exclude defendant from the state and to forfeit its property. Objection was made to the statute as unconstitutional as it violated the due process and equality clause of the 14th amendment of the Federal Constitution because the statute arbitrarily (1) discriminated between makers and sellers of commodities and persons selling labor and service—as both are determined by competition; (2) discriminated between makers and sellers of commodities and purchasers thereof in that the latter are not prevented from combining to reduce price; (3) prevented defendant's freedom to make reasonable contracts. *Held,* A classification is not void because of simple inequality. It must be accommodated to problems of legislation and may distinguish between degrees of evil. If not palpably arbitrary and no reason exists for not applying it to others it leaves untouched it will not be reviewed. The distinctions are not unreasonable and so the legislative judgment will not be inquired into. There is nothing in the constitution to prevent a state from restraining combinations defeating competition, hence no right of contract is violated. *International Harvester Co. of America* v. *State of Missouri* (1914), 34 Sup. Ct. 859.

As regards classification this undoubtedly applies the general rule. At first all people brought under the influence of laws had to be treated alike under the same conditions, *Mo. Pac. A. A.* v. *Mackey,* 127 U. S. 205. Reasonableness is now the criterion. COOLEY, CONSTITUTIONAL LIMITATIONS, 7th ed., 556; *Clark* v. *Kansas City,* 176 U. S. 114, and courts will not disturb the leg-